INTERURBAN
"YAEL"
TAXI SERVICE
SERVICE TO MIGDAL ASHKELON
HAS BEEN EXTENDED TILL
ASHKELON (AFRIDAR)

TUESDAY, JUNE 8, 1954

THE JERUSALEM POST

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CONSOLIDATED ASSETS EXCEED 75 MILLION POUNDS
248 BRANCHES THROUGHOUT THE COUNTRY
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Marginal Column

By EPHY LAQUEUR

THE recent Soviet note to Britain and the exploits of Captain Khokhlov of the M.V.D. have put the Russian emigré organization, the N.T.S. (National-ni, Trudovoi Soyus) on the political map. Established in Yugoslavia in the 1930's, it underwent a structural and ideological change during and after the Second World War and is now probably the largest and most influential of all Russian emigré organizations. Both in its organizational structure (relying exclusively on cadres, using conspiratorial methods) and its ideology (strong anti-capitalist sentiment), it owes a debt to Soviet Communism, and the "Solidarists" are frequently called "Bolsheviks" of the Russian emigration. The name "solidarism" stems from the name of the social system of a Vienna professor, Othmas Spann, with whom the N.T.S. was, but is no longer connected.

●

HITHERTO, the claims of the propaganda department of the N.T.S. about "extensive activities" on both sides of the Iron Curtain have been dismissed as exaggerated and sometimes fantastic by most observers of the East-European scene. The kidnapping of Dr. Trukhnovitch, the mission of Captain Khokhlov (who was to assassinate one of the N.T.S. leaders) and now the Soviet protest to Britain tends to show, at first sight, that Moscow takes a much more serious view than the Western observers. But in fact there is no contradiction. Though the claims of the N.T.S. in the past undoubtedly have been highly exaggerated, they are indeed potentially dangerous as seen from Moscow. Most of the emigres do not belong to the old emigration, but were born and educated under the Soviet regime. They are fanatically opposed to the present rulers of the Soviet Union and are willing to risk their lives in the struggle against that regime, and their organization, based on Communist experience, makes them potentially a formidable foe.

●

THE programme of the N.T.S. declares that the party does not stand for the abolition of the nationalisation of means of production in industry. It strongly demands that the Soviet peasant be freed from the Kolkhoz system and other compulsive measures. Here, too, the organization is probably using slogans that have a certain echo in Russia. The N.T.S. has been less successful in the field of nationality questions and the issue of Russian dominance over the non-Russian peoples of the Soviet Union, apparently having been influenced by Communist policy (their influence among non-Russian Soviet emigrants has been extremely weak). Its stand on the Jewish question is ambiguous, to say the least. On one hand, internal Nazi documents exist, which say that the N.T.S. should not be allowed to exist because it does not accept Nazi racial policy. On the other hand, there were anti-Semitic undertones in the party Press prior to 1945, such as the point in the party programme which precluded Jews (though in somewhat veiled terms) from being citizens in post-Communist Russia. One may refer to Colonel Pestel, the head of the Decabrists, who voiced the same demand in his manifesto 130 years ago, one can cite events in Russia in 1952/53 for a similar trend in Communist policy, in seeking the source of N.T.S. inspiration. Meanwhile, it is considered unlikely that Her Majesty's Government will pay much attention to the recent protest. Marx in the British Museum and Lenin in Finsbury Circus were two of the plotters against foreign governments who received political asylum here.

London, May 31.

PRICE OF EXPORT WHEAT FALLS

WINNIPEG, Monday (Reuter). —The Canadian Wheat Board today cut the price of export wheat, on International Wheat Agreement and other sales, by 10¼ cents a bushel on the three best grades.

Price changes on other grades varied. The reduction was announced at the close of trade on the Winnipeg grain exchange.

Earlier today in Ottawa, the Canadian Trade Minister, Mr. C. Howe, announced in the House of Commons that America had cut the price of wheat by 10 cents a bushel on Friday despite representations.

He did not elaborate on his statement, which was a reply to a question. Officials in Ottawa said that the price reduction resulted from an American decision to increase the shipping subsidy on export wheat by 10 cents a bushel.

What is it ?
Starts with L
Ends with L

Scores of housewives know the answer: "Lindol"—the new "Shell" insecticide, very efficient in the fight against cockroaches, bugs and ants.

"Lindol" — the latest in scientific methods — speedily exterminates parasites and its effect is long lasting. "Lindol" may be used for spraying the walls and disinfecting beds, mattresses and the interior of cupboards closets and drawers.

Beware of Imitations!

Three Incursions From Gaza Beaten Off

Marauders from the Gaza Strip were met by fire on three occasions yesterday and on Saturday, the Army spokesman has announced. In Upper Galilee, on Sunday, rifle fire was opened up from Syrian positions on workers in the fields of Kfar Szold, he added.

Yesterday morning, an Israel unit encountered a gang of marauders harvesting in the fields of Nahal Oz, near the Gaza Strip. After challenging them, the unit opened fire, chasing the gang to the Gaza Strip. One marauder is believed to have been hit.

On Saturday night, watchmen at Givat Rahel, in the Nitzana demilitarized zone, opened fire on, and put to flight, a gang of armed Egyptians who tried to break into the settlement.

An Israel unit patrolling the Gaza Strip border on Saturday morning, came across a gang of marauders harvesting in the fields of Mefalsim. They drove them across the border.

There were no Israel casualties in any of the four incidents.

Hutchison to Continue

Commander E. H. Hutchison is to continue as Chairman of the Israel-Jordan MAC, NEABS reports from Amman. The UN Secretary General has extended the Commander's term which was scheduled to terminate on July 1, the station said.

According to the Old City daily, "Falastin," Commander Hutchison has suggested that Jordan temporarily resume meetings of Local Commanders in order to exchange products stolen from both sides during the harvest season.

NEABS reported last night that Major-General Vagn Bennike has arrived in Beirut for discussions on Lebanese-Israel border matters.

French Envoys Ask Iran To Recognize Israel

The conference of French diplomats in the Middle East, which ended recently in Teheran, has recommended to the Iranian government that it recognize Israel or, barring that, permit regular trade relations between the two countries, the Arab News Agency reports from Baghdad.

The recommendation was reported to have been adopted by the conference at the request of the French Minister to Israel, ANA adds.

According to "Ittiaat," Teheran newspaper, the Persian government has rejected the recommendations because it does not want to jeopardize its friendly relations with Arab countries.

'Guardian' Denounces Jordan U.N. Action

MANCHESTER, Monday (Reuter). — The Liberal "Manchester Guardian" today denounced Jordan's decision to withdraw from the Security Council debate on Israel-Arab border tension.

The paper says there has been a strange little drama in the Council. Jordan has accused Israel of border incidents only to withdraw when faced with a demand to sign an undertaking to accept Article 35 of the U.N. Charter requiring her to agree to a pacific settlement.

This is as eloquent a gesture as could be thought of, the paper concludes, which harmonizes well with the blood-thirsty suggestions of the King of Saudi Arabia about what to do with Israel.

Election Rallies Banned By Baghdad

BAGHDAD, Monday (Reuter). — One person was killed and several injured in a demonstration at Najaf, 112 miles south of Baghdad today, three days before the country goes to the polls.

The demonstration had been held by a left-wing group. The authorities have now forbidden all public meetings to prevent further incidents.

Israel Minister On Way to Siam

Mr. Joseph L. Linton, Israel Minister to Japan, left Tokyo last night en route for Bangkok, capital of Thailand, where he will present his credentials to King Bhumibol Adulyadet as the first Minister of Israel to that country. The ceremony is to take place on Friday.

MR. LINTON

Mr. Linton will be non-resident Minister. After a short stay in Bangkok, he is due to return to his permanent post at the Tokyo Legation. He will visit Thailand at regular intervals.

Israel is permanently represented in Thailand by the Honorary Consul, Dr. Peretz Jacobson.

Subsidy Rebate Plan 'Very Likely'

The possibility that subsidies will not be dropped and that a "subsidy rebate" scheme would be introduced instead, is very likely in view of plans now being considered by the Treasury, "Hador" reported on Sunday.

The "rebate" would be paid by the self-employed, while salaried workers would receive Government savings bonds in lieu of cash to correspond to the anticipated 10 point rise in the cost-of-living index during the coming year.

About IL.50 *per capita*, or between IL.80m.—90m. is spent annually by the Government in keeping the price of bread, fats, fuel and similar basic necessities, low. The rebate programme is based on the belief that a sizeable part of the population does not need such subsidies. It is expected that about IL.15m. would be returned by about 20% of the population during the next fiscal year.

According to one suggestion, persons who annually earn from IL.3,000-IL.4,000 gross would pay back part of the IL.50. The money thus returned to the Treasury would be used to provide work for some 18,000-20,000 persons.

B.G. CONFERS ON WORLD ZIONISM

Mr. David Ben Gurion, who is undergoing treatment for lumbago at the Tel Hashomer hospital, is reported to be making satisfactory progress. On Friday, he conferred at the hospital with the Prime Minister, Mr. M. Sharett, the Minister of Labour, Mrs. G. Myerson, the Minister without Portfolio, Mr. Z. Aranne. Mr. E. Dobkin, of the Jewish Agency Executive, the Secretaries of the Mapai, Mr. I. Kesse and Mr. R. Bash, and the Secretary of the Histadrut, Mr. Namir.

It is understood that, among other matters, the future of the World Zionist Organization were discussed in the light of the forthcoming Congress.

U.S. AMBASSADOR DELAYS ARRIVAL

WASHINGTON, Monday, (INA). — The U.S. Ambassador-designate to Israel, Mr. Edward B. Lawson, is not expected to take up his post until early in autumn.

Communist Youth March in Berlin

BERLIN, Monday. — More than 300,000 Soviet Zone young people paraded yesterday to the blare of bugles and the ruffle of drums in a disciplined mass demonstration. The demonstrators carried pictures of Communist leaders and shouted anti-American slogans.

The parade lasted nearly eight hours.

The East German authorities reinforced border guards during the parade and seven youths who tried to enter the Western sector were arrested.

Within earshot of the big march-past, Bishop Otto Dibelius, head of the German Evangelical Church, said that mass demonstrations might be impressive, "but what counts are not masses but individuals."

(Reuter, UP)

US Said Pressing Britain to Meet Egypt on Suez

WASHINGTON, Monday (UP). — Britain will approach Egypt towards the beginning of July or even before to settle the Suez Canal dispute, according to a dispatch sent to "Al Ahram," Cairo daily. Washington has been urging Britain to bring the dispute to an end, the report says.

Britain is reported here not to be eager to make this new approach now for two reasons:

1) She is waiting for Foreign Secretary Eden to complete his work at Geneva so that he can give more time to the problem.

2) The latest flurry of anti-British attacks in the Zone have discouraged any action now.

A State Department source revealed unofficially that America has offered, privately, to participate in an agreed solution if Britain and Egypt desire it.

$20m. in Aid

If an agreement is reached America will immediately release $20,000,000 in economic aid set aside for Egypt for this fiscal year, Britain has advised Mr. Harold Stassen to hold this money till the agreement is reached. This money must be spent by June 30, and if by that date it is not spent then the State Department must approach Congress for approval for next year.

Washington sources believe that there is agreement in principle on two outstanding issues, question of uniforms and the right to readmittance of British forces to Suez in the event of a threat of war.

Cairo Trial Heard Behind Closed Doors

CAIRO, Monday.—The trial of the 16 Egyptian Cavalry officers accused of plotting against the regime of Colonel Gamel Abdul Nasser will be continued *in camera*, the Revolution Tribunal decided today. The defence objected strongly against the imposition of a veil of secrecy on the proceedings.

Yesterday the Prosecution demanded the death sentence for all the defendants. They have all pleaded not guilty. During the trial various witnesses claimed that the officers group — the same which restored General Nagib to power after Colonel Abdul Nasser's first unsuccessful coup—had plotted to arrest the Colonel and to restore parliamentary life in the country.

Clean Hands

The Egyptian Government today denied responsibility for the recent terrorist outbreaks in the Suez Canal Zone. The Egyptian view was contained in a note handed to the British Ambassador Sir Ralph Stevenson in reply to a formal British protest.

The Egyptian Minister of National Guidance, Major Salah Salem, left Cairo for Jedda today for talks with King Saud. He is due back on Cairo on Wednesday. *(Reuter, UP)*

Britain, China To Expand Trade

GENEVA, Monday (Reuter). — China announced here tonight that it had accepted an invitation from British traders to send a mission to Britain to try to expand trade between the two countries.

The Chinese delegation to the Asiatic conference here said that after the Chinese mission visited Britain, a British trade mission would go to China. No dates were given.

Morrison Returns After 20 Years

LYDDA AIRPORT, Monday. — Holding a tropical helmet bought in Tel Aviv 20 years ago and which he has not used since, Mr. Herbert Morrison, former British Foreign Secretary, arrived here by El Al yesterday for a week's official visit.

He said that he wished to get used during the visit to the fact that this country is no longer under British rule and that it is a sovereign State. Israel interested him as providing a rare example of mass immigration and rapid economic development.

MR. MORRISON

In reply to questions, Mr. Morrison said that he had not heard about a plan to transfer British military bases from the Suez Canal Zone to the Negev, adding that it was conceivable that such a suggestion might be on the agenda of one of the British Parliamentary committees.

He said that the official nature of his visit prevented his commenting on the general Middle East situation.

The guest was received at the airport by the British Ambassador, Sir Francis Evans, and representatives of the Foreign Ministry and of the Histadrut.

The President received Mr. Morrison in Jerusalem today.

The visitor lunched with the Prime Minister and Mrs. Sharett. Other guests were: Mr. L. Eshkol, Minister of Finance, Mr. I. Rokach, Minister of Interior, the Chief-of-Staff, Rav-Aluf M. Dayan, Dr. G. Josephthal, Treasurer of the Jewish Agency, Mr. W. Rytan, Director General of the Foreign Ministry, Mr. A. Lourie, Assistant-General of the Ministry, Mr. D. Horowitz, Governor-Designate of the State Bank, Dr. A. Granott, Chairman of the Board of Directors of the Jewish National Fund, and Mr. R. Weitz, of the Jewish Agency.

In the afternoon, Mr. Morrison was the guest of the Chairman of the Jewish Agency Executive and Mrs. Locker at their home in Jerusalem.

Mr. Morrison toured the Jerusalem border today, in company of a high-ranking army officer, to obtain on-the-spot impressions of security problems. Tomorrow he is expected in Tel Aviv, where he will visit the Histadrut building. Mr. Morrison is to tour the Negev, Haifa, the Jordan Valley and Galilee during his week's visit.

Locusts from West, East Threaten Egypt

CAIRO, Monday (Reuter). — A dense concentration of red locusts in southern Libya is reported to be moving east, threatening Egypt and the Sudan. Other swarms have crossed the Red Sea from Saudi Arabia and have reached Keneh province in Upper Egypt, another report said.

Measures for fighting the locusts will be discussed at an anti-locust conference sponsored by the U.N. food and Agricultural Organisation which opens here tomorrow.

Representatives of the Arab countries, India, Persia, Pakistan, France, Britain and the U.S. will attend the 10-day meeting. They will discuss anti-locust measures in the Middle East with particular reference to Saudi Arabia.

A similar conference was held last year in Rome, but U.N. experts failed to obtain the funds and equipment necessary to fight the pests in their breeding grounds in Saudi Arabia. The countries concerned refused to allocate $2m. while Syria, Jordan and Iraq refused to place motorised units at the disposal of the locust fighters. Each of these countries said they would carry on the fight within their own boundaries.

Dacca Chief Pledges Anti-Communist Action

DACCA, East Pakistan, Monday (Reuter). — Major-General Iskander Mirza who took over as governor of East Pakistan last week after violent rioting at the Adamjee jute mills said here yesterday he would take the "most ruthless action against Communists and would check further outbreaks."

He said, "the situation is quiet but I shall have no hesitation in declaring martial law in any districts where trouble occurs.

"There are more than enough troops deployed through the province but responsibility rests first with the civil authorities. There are 40,000 police in East Bengal."

Tunis Army Ordered To Crush Terrorists

TUNIS, Monday (UP). — French and colonial infantry aided by Foreign Legion units streamed into Southern Tunisia today with orders to crush the self-styled "Liberation Army" of Nationalist outlaws. The troops sealed off the frontiers with Libya and Algeria and imposed a curfew on the five southern provinces of the protectorate.

The French have accused "certain Arab League States" of aiding the terrorists who murdered five French farmers during the past two weeks.

What seemed to alarm the French officials most, however, was the threat that French settlers might take the law into their own hands. Already several corpses of Tunisian Nationalists have been found riddled by bullets.

The Bey of Tunis, Side Mohammed el Amin, has denounced terrorist attacks "wherever they came from," but his appeal to both the French and Tunisians seems to have been in vain.

TWO OF NINE MOSCOW DOCTORS REINSTATED

MOSCOW, Monday (UP). — Two of the nine Moscow doctors falsely accused last year of plotting against the lives of high Soviet officials have resumed public lectures the Soviet Academy of Medical Sciences reported today.

The statement confirmed that Professor M. S. Vovsi and Dr. B. S. Preobrashensky had been restored to their full professional positions. Seven of the nine doctors falsely charged were Jewish.

Bidault, Molotov Meeting Fails to Break Deadlock

Van Fleet May Go to Hanoi

WASHINGTON, Monday — Authoritative sources said today that President Eisenhower has requested General James Van Fleet, former field commander in Korea, to visit Indo-China in view of the critical situation in the Tonking delta. General Van Fleet conferred with the President prior to his return to the Far East this afternoon.

The Chairman of the Joint Chiefs of Staff, Admiral Arthur Radford, was also present at the meeting. Admiral Radford is known to take a serious view of the Indo-Chinese situation.

The U.S. has given the military leaders of Britain, France, Australia and New Zealand conditional estimates of the forces it could make available in an emergency for the defence of South-East Asia. The French were reported to be pressing for an assurance that U.S. airpower would be available for the defence of Indo-China if the Chinese sent in their warplanes as in Korea.

The British Chief of the Imperial General Staff, Field Marshal Sir John Harding, who represented his country in the five-power military talks, is understood to have pointed out that Britain has all her divisions committed to service abroad and that participation in an Asian defence pact would necessitate a drastic reshuffle of her forces.

Democratic Party sources in Washington predicted today that the administration would ask Congress within a month for authority to intervene in Indo-China.

The opposite view was taken by the Chairman of the Senate Foreign Relations Committee, Senator Alexander Wiley, who said he did not think U.S. troops would be sent to Indo-China under any Asian defence pact. He said Vietnam had 400,000 to 700,000 men available and did not need American manpower. In addition South Korea could provide 800,000 men.

Another Republican Senator, Mr. Styles Bridges, said he favoured the use of atomic bombs in Indo-China rather than the dispatch of American troops there. *(Reuter, UP)*

Delegates Hope to Be Home for Christmas

GENEVA, Monday (Reuter). —Many delegates at the Far East Conference here hope to be home for Christmas.

This is the ironic mood here today as the marathon conference limps forward into its 7th week.

The Chinese Communists made all their hotel reservations for six months, so they still have four months and two weeks to run. One Chinese delegate now says his delegation has already taken an option on a further six month's booking.

Feelings are mixed in the 13 non-Communist delegations who are here only for the Korean part of the Conference. They know that they will leave here by July 24 at the latest, the end of the limit imposed by South Korea on fruitless discussions.

Two More Vietnam Outposts Captured

HANOI, Monday. — Vietminh rebel forces last night captured two Vietnam outposts in the Red River Delta. The first is about 35 kms. northwest of Hanoi and the second 16 kms. northwest of the port of Haiphong.

Two other outposts successfully repelled rebel attacks.

The rebels blew up the railway lines between Hanoi and Haiphong and ambushed a French road patrol west of Hanoi.

French forces on the other hand counter-attacked in the Phuly district East of Hanoi.

French reconnaissance aircraft have reported that the rebel commander, General Giap, appeared to be moving his four divisions from Dien Bien Phu in a wide arch south-eastwards towards Than Hoa, the main rebel base in Northern Annam, apparently in preparation for an attack on the Red River Delta from the south.

French headquarters in Saigon announced today the arrival of the first large-scale reinforcements from France since the fall of Dien Bien Phu. No details were given.

The new French Commander-in-Chief in Indo-China, General Paul Ely, is expected in Saigon tomorrow. *(UP, Reuter)*

Laniel Gov't Faces Severe Test Today

PARIS, Monday (Reuter).—The Laniel government faces its most severe test so far in the Indo-China debate which will be resumed in the National Assembly tomorrow.

Its fate will depend largely on the word that Foreign Minister Georges Bidault brings back from Geneva. He has not appeared in Parliament since the Geneva Conference began in April, and his speech will be vital.

If he can convince a sceptical National Assembly that a cease-fire in Indo-China is imminent he may save the Government. But he will be addressing many deputies who believe that he personally does not really want peace in Indo-China, and would prefer failure in the negotiations at Geneva so that America will enter the war.

Pleven Criticised

The Defence Minister, M. Rene Pleven, has also been heavily criticized over government policy in recent months and he is expected to answer critics in the debate.

Hostility to the government, within the parties that make up its parliamentary majority, has been increased by the appointment of a dissident Gaullist, M. Frederic Dupoint, as Minister for the Associated States of Indo-China.

If the government is forced to call for a vote of confidence it could not be taken before Friday and possibly not before next week.

Another factor will add to the perils of the government. M. Bidault is due to report to the Assembly's Foreign Affairs Commission on Wednesday on the France-German negotiations on the Saar, and the outlook is reported to be favourable.

But as France-German agreement on this issue would remove the last official obstacle to French ratification of the European Army treaty, the many opponents of the treaty see in the Saar position another reason for trying to bring down the government.

Pharaoh's Tomb First Found Intact

CAIRO, Monday.—The Director of the Egyptian Antiquities Department, Professor Mustafa Amer, said at a press conference here today that the newly-discovered sarcophagus of a pharaoh who reigned 50 centuries ago is the first tomb of an ancient ruler that has ever been found intact.

It may be some time before Egyptologists can open the sarcophagus which was found near here last week in an incompleted pyramid. The opening of the tomb and two solar "boats of the dead," found a few miles away would take place after debris had been cleared and passages and ceilings strengthened.

Search for Body

Dr. Zakaria Goneim, the Egyptologist who discovered the sarcophagus when he crawled into the heart of a 4,700-year-old pyramid at Sankkara last week, has prospects of finding the body of an ancient third dynasty Pharaoh inside it. He thinks it will be in a coffin made of or coated with gold, surrounded by necklaces, bracelets, girdles, daggers and sandals inset with precious stones.

The unfinished pyramid is part of a great burial city in the desert about 15 miles southeast of Cairo and is a few miles from the pyramid of Cheops where other excavators found the "solar boats" in an unsuspected stone passage the week before Dr. Goneim's discovery.

Over 50% US Aid Earmarked for Asia

SYRACUSE, N. Y. Monday (UP). — Foreign Operations Administrator Harold E. Stassen said today that more than 50% of the United States' mutual aid funds for the coming fiscal year would be earmarked for Asia.

"We must respond readily and generously to requests from free nations for our cooperation in programmes of technical and economic development," Mr. Stassen said. He stressed that it must be done with "no military strings" attached.

Armistice Supervisor Nations Disputed

GENEVA, Monday. — Hopes for a break in the deadlock in the Indo-China talks received a set-back today when no apparent progress was made at a secret meeting between the Soviet Foreign Minister, Mr. V. M. Molotov, and the French Foreign Minister, M. Georges Bidault. The meeting lasted nearly an hour.

The two Ministers afterwards told reporters that they had discussed the proposed armistice control plan, but no progress had been made.

M. Bidault is reported to have told Mr. Molotov that the Western Powers would accept the five nations of the Colombo pact — India, Pakistan, Ceylon, Burma and Indonesia — as supervisors of the armistice. Mr. Molotov is reported to have pressed for the inclusion of at least one Communist nation.

Eden Returning

Some developments are hoped for with the return from London tomorrow of the British Foreign Secretary Mr. Eden who has so far been the key mediator at Geneva.

This afternoon Mr. Molotov dined with the U.S. Assistant Secretary of State, Mr. Bedell Smith. The meeting was described as "purely social."

The Indian U.N. delegate, Mr. Krishna Menon, who is not a delegate to the Geneva conference but is acting as Mr. Nehru's special envoy, today conferred with the Vietminh Deputy Premier, Pham Van Dong. Earlier, Mr. Menon had conferred with M. Bidault.

The non-Communist nations taking part in the conference on Korea won a 48-hour breathing space today to iron out their internal differences when Mr. Molotov agreed to a two-day postponement of the next meeting. *(UP, Reuter)*

French Socialists Split Over E.D.C.

PARIS, Monday (UP). — A revolt against the French Socialist Party's order to its deputies to vote in support of the European Army blew up yesterday, possibly jeopardizing ratification of the six-nation pact here.

Veteran Socialist Marcel Edmond Naegelen, former governor of Algeria and candidate for the French presidency last December, told United Press:

"I and my friends are against the European Army and we will not accept the party sanctions."

He was joined by M. Jules Moch, who said his party's action in ordering discipline of vote in support of E.D.C. "has not changed my opinions."

M. Naegelen predicted "at least" 40 of the 104 Socialist National Assembly deputies would vote against E.D.C.

Voting to Be Close

In these circumstances, parliamentary observers said it would be very difficult to rally sufficient votes for E.D.C. Some went so far as to suggest it might fall by about 10 votes.

Segments of Premier Joseph Laniel's coalition favouring E.D.C. had planned to schedule it for debate before the summer vacation. Now they might have to revise their schedule to win time.

The first full text of the effect of the Socialist Congress order telling deputies to support E.D.C. may come on Wednesday. Then the Assembly's Foreign Affairs Commission votes on an E.D.C. report prepared by M. Moch.

Since the report is unfavourable, an affirmative vote backing the report would amount to an adverse vote against E.D.C. There are five Socialists on the commission who said they will back M. Moch.

Wilson Rules Out War To Defeat Communism

COLUMBIA, South Carolina, Monday (Reuter). — Mr. Charles Wilson, Secretary of Defence, today warned against any attempt to eliminate the threat of Communism by another world war.

In an address at the University of South Carolina, he declared, "We cannot knock out false ideas with bullets. We must counter and destroy them with the truth, with superior ideas and sound philosophy."

Oppenheimer Action Called Way to National Suicide

NEW YORK, Monday (Reuter). —Ten noted scientists have told President Eisenhower that the security system under which Dr. J. Robert Oppenheimer was barred from government atomic secrets was such a grave threat to scientific research that it could lead to national suicide.

Dr. Oppenheimer, atomic research pioneer, was suspended last December as a consultant to the government on nuclear physics. Last week a special inquiry board found by two votes to one that he was a security risk though a loyal citizen.

The scientists, members of the Federation of American Scientists, asked Mr. Eisenhower in an open letter published last night to review the security system.

"The purge of a loyal scientist for giving frank advice presents a grave peril to our nation," the letter said. "Such a policy, if continued, will eliminate the men of independent mind from our defence establishments. In this age when new weapons repeatedly dwarf the destructive power of their predecessors this is a sure road to national suicide."

'Joe Must Go' Club Fails To Get Enough Signatures

NEW YORK, Monday (Reuter). — The "Joe Must Go" club announced in Sauk City, Wisconsin, today that it had failed to obtain enough signatures on petitions to force a referendum on the recall of Senator Joseph McCarthy. But they said they would not give up.

The drive to secure signatures started by a Sauk City newspaper editor ended on Saturday night without reaching 402,908 signatures. If that many people signed the petitions and the petitions were presented to the Wisconsin state government, there would have been a referendum for the people of the state to decide whether Mr. McCarthy should continue to represent them in the Senate.

An officer of the club said "The effort produced results which proved beyond doubt that the anti-McCarthy sentiment would see him defeated in an election today, and the effort was so successful as to compel consideration of a future recall campaign."

British Legion
Cruise to Cyprus—June 25-26, 1954
Members and invited guests should register with the Representative of the British Legion by tonight, Tuesday, June 8, 1954, for the few remaining places; at the offices of
MARMOUS TOURS
TEL AVIV: 72 Rehov Nahlat Binyamin, Tel. 67170.
HAIFA: 1 Rehov Khayat, Tel. 67000.

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DUBEK 10
HIGHER FLAVOUR THROUGH MACEDONIAN TOBACCO

Social & Personal

The Minister of Labour, Mrs. Golda Myerson, left on Sunday by El Al via Paris for Geneva to participate in the conference of the International Labour Organisation.

•

The Hungarian Charge D'Affaires, Mr. Istvan Romhanyi, yesterday opened an exhibition of drawings by Hungarian children at the Tchemerinski Art Gallery, Tel Aviv.

•

Mr. Giovanni Stefano Rocchi, Italian Consul General in Jerusalem, left on Sunday for six weeks' home leave.

•

Mr. G. Huntingdon-Damon, Regional (Middle East and Africa) Director of the U.S. Information Services, left on Sunday after a two-day visit.

•

Mr. R. Silver, President-Elect of the Jerusalem Rotary, is leaving for the U.S. today to discuss details of the branch's Silver Jubilee in December with members of the Board in Chicago. It is intended to issue a call to World Rotarians to come to Jerusalem for the celebrations.

•

Mr. George Greenspan, Treasurer of the American Fund for Israel Institutions arrived by El Al with Mrs. Greenspan on Sunday for a short visit.

•

Mrs. Harry Sabel will be hostess to a Wizo tea at her home in Jerusalem at 4.30 this afternoon when she will speak of her experiences as the leader of the Israel group at the International Kitchen Exhibition, London.

•

BIRTHS

ELIEZER — To Lili, wife of Yosef Eliezer, on June 7, 1954, at the Hadassah (A) Hospital, Jerusalem — a son.

PIPER—To Batia (nee Morgenstern) and Gershon Piper, on June 6, 1954, at the Assuta Hospital, Tel Aviv, a daughter.

FIELD TRIALS HELD FOR SERVICE DOGS

The "school year" of Jerusalem's service dogs terminated over the holiday weekend with field trials organized by the Jerusalem Section of the Israel Kennel Club.

Of eleven participants, nine graduated with "very good" and two with "good". There were no failures, but no mark of "excellent" was awarded because the trials were held according to the strict international regulations for the first time.

Acclaimed as star performers were a beautiful Alsatian and his master, a 10-year-old girl, who brought her dog through the tests by friendly persuasion and without a word of harsh command.

On Sunday, training was left aside and Jerusalem's hitherto unregistered thoroughbreds were judged according to breed and beauty under the supervision of Dr. R. Menzel.

Seventeen debutants and debutantes made the canine social register by being entered in the studbook of the Israel Kennel Club.

POLYCARP RETURNS

Archimandrite Polycarp, the head of the Russian Orthodox Church in Israel, returned recently from an extended vacation in the Soviet Union.

The Archimandrite told of the growing interest in Russian official and unofficial circles in the condition of the Holy Places in Israel and Jordan.

JERUSALEM TEACHER AWARDED FELLOWSHIP

The Hebrew University has awarded a Morris Katz Fellowship in Adult Education for 1954/55 to Dr. Nehama Leibowitz, a Jerusalem teacher of Bible, Jewish history and methods of instruction in educational institutions and adult-education groups. Dr. Leibowitz has for the past 13 years issued a weekly bulletin on Bible readings in synagogues for the guidance of students in Israel and abroad.

The Katz Fellowship, which is valued at $2,000, has been awarded to Dr. Leibowitz for research on methods of instructing adults in the Bible.

ISRAELIS DO SOCIAL RESEARCH IN N.Y.

Miss Esther Tauber of 15 Rehov Aharon, Jerusalem, has received the degree of Doctor of Philosophy from the New School of Social Research in New York. Miss Tauber is a member of the editorial board of "The Pioneer Woman."

This spring 16 Israelis enrolled for graduate work at the New School and eight for undergraduate work. They constitute the largest group of foreign students at the school which is one of the leading centres of adult education in the U.S.

FAITH JUSTIFIED

NEW YORK, Monday (Reuter). — The Hebrew Free Loan Society has reported here that it had made 751,000 loans without encountering anyone who willingly failed to repay the debt.

Loans granted interest-free on a non-sectarian and inter-racial basis to persons in need have totalled more than $40m.

"Our only collateral is faith, and faith in man has always paid off," Mr. Joseph Hurst, President of the Society, said.

11 AFRICANS HANGED

LAGOS, Nigeria, May 28 (Reuter, Delayed). — Eleven Africans were hanged here today for the murder of Alfa Histriya Apalara, a Muslim preacher, in January, 1953, though his body was never found. The men were among a crowd which, according to witnesses, killed Mr. Apalara while preaching at a street corner. The 11 men belonged to the cult, the office bearers were acquitted.

LAW REPORT

THE JERUSALEM POST

June 8, 1954

In the Supreme Court sitting as Court of Civil Appeal.
Before: Justices Cheshin, Goitein, Berenson.

Moshe Berman, Appellant, v. 1. Jeannette Berman, 2. Shmuel Stang Respondents. (C.A. 131/51).

HUSBAND CANNOT CLAIM DIVORCED WIFE'S FLAT

The Supreme Court dismissed an appeal against a judgment of the Tel Aviv District Court, composed of Judges Sussman, Levin and Zundelewitz, delivered on December 22, 1953 (C.A. 53/49).

The appellant, Moshe Berman, divorced his wife, Jeannette Berman, the first respondent, in 1947. One of the terms of the divorce, as laid down by the Rabbinate, was that Berman was to leave his wife in possession of their flat.

Berman removed all his furniture from the flat and severed all connection with it after receiving his divorce. He agreed that his ex-wife should continue to pay the rent in his name since the landlord refused to accept it in her own name. The wife subsequently came to some amicable arrangement with the landlord, as a result of which she vacated the flat in February 1948 and he re-let it to the second respondent, Shmuel Stang. Berman's request to the landlord to allow him to return to the flat was rejected. He thereupon applied for an eviction notice against Stang. When his application was refused by Magistrate A. Malchi, he appealed to the Tel Aviv District Court which confirmed the Magistrate's decision. Berman then appealed to the Supreme Court.

Grounds of Appeal

Counsel for the appellant argued before the Court that a statutory tenant retained his rights to a flat as long as he was in actual or constructive possession. He produced precedents to prove that as long as a man's wife and his furniture remained in the flat, he retained the rights of a statutory tenant.

Judgment

In his judgment, Justice Goitein agreed with Mr. Caspi's contention, but pointed out that he had not proved that a man's ex-wife could protect his rights to a flat from which he had removed all his furniture. Therefore, in the light of the precedents, to which recourse need not necessarily have been had since the law was clear on the point, he held that the appeal must necessarily fail.

Justice Cheshin agreed with Justice Goitein and added that, while he was in full agreement with Judge Malchi that the Rabbinate had no power to transfer the rights in the flat under dispute from the appellant to his ex-wife, nevertheless this was not the point in dispute. It was clear from the facts that the parties themselves had understood the decision of the Rabbinate as implying that the appellant gave up all his rights to the flat in favour of the first respondent. Therefore, Mrs. Berman had been entitled to come to an agreement with the landlord whereby she returned possession of the flat to him.

Justice Berenson concurred.

Judgment given on June 2, 1954.

For the Appellant: Mr. M. Caspi.
For the second Respondent: Mr. Buchalter.

CORRECTION: The Rules referred to in the Law Report of June 6 are called "McNaghten Rules," and not as printed.

Symposium to Be Held On Traffic Problems

HAIFA, Monday. — A symposium on highway traffic problems is to be held on Wednesday under the auspices of the Extension Courses Department of the Technion, in cooperation with the Ministry of Communications.

Technion professors, traffic experts, economists, representatives of the Government, the police and others will take part in the discussions.

Traffic control managers and all those engaged in traffic and transportation problems in the country are invited to attend.

ON THE AIR

JERUSALEM: 697 M.; HAIFA: 249 M.; TEL AVIV: 33.8, 48.9 & 322 M.

ON THE AIR

JERUSALEM: 697 M. HAIFA: 249 M. TEL AVIV: 33.8, 48.9 & 322 M.

FIRST PROGRAMME

News: Hebrew: 7 a.m., 1.30, 6.30, 6.15, 8.30 & 11.30 a.m. Arabic Programme (including News): 9 a.m., 2.15 & 6.15 p.m.

6.00 a.m. Service. 6.35 Exercise. 6.45 Musical Chest (R). 7.15 Melodies (R). 8.00 Close Down.

12.00 N. Music at Noon (R). 12.30 Housewives' Corner. 12.50 Light Music (R). 1.45 Break for Music (R). 3.00 Close Down.

4.00 p.m. Programme for Hospitals. 4.30 Light Music. 5.15 Agricultural Programme: 5.15 Language Corner. 5.30 Children's Hour. 7.00 Haifa Programme. 7.35 Sports. 7.45 Noah's Ark. 8.45 Newsreel. 9.00 Kol Yisrael Orchestra. Conductor: Heinz Freudenthal: Recording from the 30th I.S.C.M. Festival for Contemporary Music at Haifa. 10.30 Request (R). 11.05 Close Down.

SECOND PROGRAMME

490, 210, 214, 49.9 M.

English News: 1.45 p.m., 10.15 p.m. French News: 3.00 p.m.

IMMIGRANTS' HOUR (38.8, 34.9 & 469 M.): French: 6.30 p.m. Ladino: 7.00 p.m. Yiddish: 7.30 p.m.

KOL ZION LAGOLA (33.8, 48.9 M.): 11.15 News. 11.25 Here and There. 11.30 "Colonel Margolin," talk by Mr. Gershon Agron. 11.40 Music by Alexander.

ARMY PROGRAMME: (44.6, 216, 235 & 320 M.): 6.30 Opening. 6.35 "Bow and Arrow." 7.00 Orchestra. 7.30 Today's Events. 7.35 Light Music. 7.45 Noah's Ark. 8.30 News. 8.45 Night Music. 9.15 Dance Music. 10.00 Close Down.

B.B.C. HEBREW BROADCAST: (19.42, 24.99, 31.32 & 30.90 M.): 6.30-7.00 p.m. News: "This England." Science & Engineering.

VOICE OF AMERICA English Broadcast: (16.9, 31.4 M.): 5.00-5.30 p.m. Repeated at 8.00-8.30 p.m. on 25.6 & 31.3 M.

JERUSALEM CINEMAS

at 5, 6.30 & 8.30 p.m.

ARNON: A Place In The Sun.
EDEN: Million Dollar Mermaid.
EDISON: One Summer of Happiness
ORGIL: Robin Hood.
ORION: The Master Of Ballantrae.
ORNA: So This Is Love.
ZION: The Golden Blade.

★ Tours:—
Hebrew University conducted tour, new administration building, King George Ave., opposite Terra Sancta, 10 a.m.

★ Film Shows:—
Keren Hayesod, for tourists and visitors, 11.30 a.m.

★ Theatre: —
"The Trouble Makers", Chamber Theatre, Edison Hall, 9 p.m.

— TEL AVIV —

★ Exhibitions:—
Paintings 1952/54 by Mokady, Modern Mexican Graphic Art, Early Mexican Art, Museum, 10-1, 4-7 p.m.

★ Theatre: —
"Pygmalion", Chamber Theatre, Mograbi, 8 p.m.

— HAIFA —

★ Exhibition: —
"Flower in Art" — paintings, carpets and stamps — Municipal Museum of Modern Art — Town Hall—10-1.

— RAMAT GAN —

★ Theatre: —
Do-Re-Mi. "Victoria and Her Hussar," Rama Hall, 8.30 p.m.

— BEERSHEBA —

★ Theatre: —
Habimah. "Twin The Millions", 8 p.m.

— RISHON-LE-ZION —

★ Theatre: —
Habimah. "Macbeth", 8 p.m.

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Tel Aviv: Z.O.A. House Sunday, June 13, 9 p.m.
Rishon-le-Zion: Wednesday, June 16, 9 p.m.
Haifa: Orah (6 Perl.) Thurs., June 17, 7.30 & 9.30
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is hereby given that an

EXTRAORDINARY GENERAL MEETING

of the Company will be held on June 20, 1954, 11 a.m., at the Company's Office, 8A Rehov Yehuda Halevy, Tel Aviv, for the purpose of passing special resolutions proposed by the Directors to amend Articles 5, 82 and 86 of the Articles of Association of the Company and to decide on the distribution of Bonus Shares to be paid out of the Capital Reserve Fund.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day, next week (i.e. June 27, 1954), at the same time and place and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, members present will constitute the quorum.

THE DIRECTORS

FROM SEWAGE TO SEEDS

The first sewage from Jerusalem to be utilized for irrigation is being piped through a special filter to a tomato and vegetable undertaking near Malha. The crop is being raised for its seeds as it is considered dangerous to eat vegetables raised with even filtered sewage water. Photo by Eisenstark.

Sugar Factory Coming As Reparations

TEL AVIV, Monday. — A sugar factory is shortly to be imported lock, stock and barrel from West Germany for the production of 12,000 tons of sugar annually, or one-third of this country's consumption.

The factory equipment was ordered by the Israel Sugar Enterprises, Ltd., a company owned by Hamashbir Hamerkazi. The Shllumim Corporation has announced that the equipment has already been bought. It will be capable of processing 1,000 tons of sugar beet daily and to produce its 12,000 tons of sugar in the 80 days of the sugar beet season.

The Shllumim Corporation also announced that during July, the flow of goods from West Germany will increase above this month's brisk pace. During June, 72,000 tons of goods will be sent from Germany, mainly industrial equipment.

Apiarists Seek Help

TEL AVIV, Monday. — Beekeepers should be released from income tax this year and be supplied with cheap sugar and credit, spokesmen of the 800 organized Israel apiarists told a press conference in Tel Aviv recently.

They find themselves in a serious economic situation this year on account of the meagre yield of honey occasioned by the poor blossoming of the citrus trees and the sharp changes in the weather, the spokesmen said.

2 Soviet Editors Ousted For 'Unhealthy Attitude'

MOSCOW, Monday (Reuter). — The editor and assistant editor of the Soviet political and literary magazine, "October," have been dismissed for publishing material reflecting an "irresponsible and unhealthy attitude."

The editor is the prominent writer, Mr. I. Panferov, whose personal actions were recently sharply criticised by the Union of Soviet Writers.

The union also criticised the playwright, Mr. Leonid Zirin, for "distorting reality" and urged him to leave "Philistine circles and get to know Soviet life and people."

RUSSIAN CIVILIANS LEAVING CHINA

TOKIO, Monday (UP). — A Peking Radio broadcast reported that Russia had begun a mass withdrawal of a "section" of the Russian civilians in Communist China.

The Chinese-language broadcast said they were being recalled to their own country to "participate in the great Communist reconstruction." Responding fervently to this decision," the Radio said, "the Soviet residents are actively applying for return to their homes."

The Radio said they would be transported to Russia in several groups. It did not give the number of Soviet civilians now in China, nor the number or proportion of those affected by the recall move.

AT THE CINEMA

WARNER Brothers' "The Master of Ballantrae" (Orion, J'lem) turns Stevenson's epic of Charles Stuart's invasion, that most immortally romantic of all lost causes, into an average pirate schmals. Errol Flynn excels in acrobatic sword play, but these fencing exhibitions finally bored even the adolescents who Saturday night filled the cinema to capacity.

In order to appreciate the unlimited possibilities in reviving classics that have become folk tales, nobody should miss Walt Disney's "Robin Hood," held over for a second week at the Or Gil Cinema. It seems to me that Disney is even greater as a teller of fairy tales when he uses human actors, rather than his cartoons which, with the sole exception of "Alice in Wonderland," are only successful with grotesque characters and fail in their representations of the "heroic" or the "lovely." In "Robin Hood," moreover, Disney has regained the perfect unity of style lost in his full length cartoons, in which far too many (admirably excellent) cooks collaborate. For "Robin Hood" I wholeheartedly repeat Frango's offer for "Gentlemen Prefer Blondes" last Wednesday: money back to anyone who does not like it.

Mr. Bernstein, in this week's newsreel, visits a chocolate factory. I believe I speak for the vast majority of the cinema going public, when I express the hope that our popular Minister of Commerce will soon have visited all the factories in this country.

Th.F.M.

Nightmare of Tension

THE new French production at the Chen cinema in Tel Aviv, "Le salaire de la peur" (based on a novel by Georges Arnaud) could be called a nightmare of tension and desperation. The director, H. G. Clouzot, introduces the story rather mildly by giving no more than the atmosphere of a shabby South American village where some stranded characters, among them two cynical Parisians, lead a life of deadly boredom and tropical nonchalance. They have no passports and, therefore, no hope of escape — Sartre's "No Exit" in a plausible cinematic interpretation.

Then suddenly comes the thrilling proposition on the part of the American oil-drillers who work in the village: two trucks with nitroglycerin cans have to be transported over the mountains to burning oil springs; it's a trip of 48 hours. Four drivers are needed, and each of them will get a thousand dollars.

Four of the deadly bored men get the job, and one morning at five o'clock the two trucks start on their tension- and nitroglycerin-loaded voyage. It is this trip with character studies of the four men (among them the two Parisians), and its fantastic photography of the dramatic landscape (A. Thirard) which is a masterpiece of contemporary film-making (and of the Sartre spirit). Only the last ten minutes appear overloaded with high tension and bring a sort of an anti-climax.

The acting is excellent, with Yves Montand and Charles Vanel in the main roles.

More Don Camillo

DUVIVIER'S "Don Camillo's Return" (Ophir) brings the beloved priest—after he had been completely unsuccessful with a new flock in a mountain village—back to his old little town and its Communist mayor. The priest's adventures, his dialogues with his enemies and with Jesus, have lost some of their originality by now. We smile, but our laughter is less frequent. On the other hand, Fernandel is again his lovable self.

Mo.

Riviera
owing to a wedding party the Riviera CAFE-BAR will be closed tonight

Sunday's Press:

Arab Intrigue May Frustrate Regional Water Planning

If reason were decisive, the Israel-sponsored "Cotton Plan" for the regional development of water resources would be accepted by all concerned without further delay, "Ha'aretz" (Independent) says, enumerating its obvious advantages over the other blueprints now before President Eisenhower's special envoy, Mr. Eric Johnston. While "Ha'aretz" has no illusions as to the reaction of the Arabs, it expresses the hope that Mr. Johnston and the U.S. Government, who have taken the welfare and the development of this part of the world to heart, will be convinced of the feasibility of Israel's scheme, and use their influence to see it implemented.

A similar view is expressed by "Haboker" (General Zionist), but the paper fears that political intrigues on behalf of the Arab states who use the water question as a "third front" (in addition to the military and the economic ones) against Israel, may frustrate the plan to the detriment not only of Israel but of Middle East progress and civilisation in general.

"No cease-water commission!" "Herut" sternly warns in view of the "bad experiences" of the cease-fire and the Mixed Armistice Commissions. The fact that Mr. Johnston makes Cairo, far from the Jordan river his first stop, shows that his mission is political rather than technical and economic: he is less interested in irrigation and investment than in creating a new instrument of American influence in this part of the world. The paper emphasizes that it is not opposed in principle to U.S. interests here, but unfortunately the State Department follows a policy of appeasing the Arabs at Israel's expense, and therefore a water-scheme managed and controlled by the Americans (on similar lines to the Mixed Armistice Commissions) must be regarded with serious misgivings.

"Ha'aretz" refutes "Zmanim's" criticism that it had reacted rashly over the Khirbet el-Jinba incident, and demands from the Progressive organ "civil courage" in a truly progressive spirit with regard to issues of foreign policy.

Mrs. Rahel Ben-Zvi the President's wife, hails in "Davar" (Histadrut) the fine human attitude of the Arab constable of Bethlehem, who like a father took care of a Jewish child who had wandered over the armistice lines.

Yesterday's Shavuot festival is prominently featured by most papers, with some, particularly the Orthodox Press, stressing its religious and theocratic aspect as a law-giving day. The Labour papers emphasize the agricultural aspect of the Feast of the First Fruits. "Omer" (Histadrut) deals in this connection with our settlement policy. "Zmanim" (Progressive) has a special supplement on agricultural problems with contributions by the Minister of Agriculture, Mr. P. Naphtali and other leading experts, while "Hatzofe" (Mizrahi World Union) publishes a 40-page supplement on the occasion of its 5,000th issue.

"Davar" urges the Histadrut to establish immediately legal advice bureaus for tenants in order to put an end to the widespread panic among poorly-informed tenants in connection with landlords' exaggerated demands for rent-increases.

"Al Hamishmar" (Mapam) reiterates its demand that the means for fighting unemployment should be found at the expense of the rich, and not by lowering the standard of life of the masses. In the same paper, Mr. Y. Gruenbaum critically deals with Mr. Ben Gurion's scheme for election reform.

"Zmanim," commenting on appointment of an inquiry committee on the death of 16-year-old Amos Tivon, welcomes the extension of the committee's terms of reference by the Minister of Justice, Mr. P. Rosen, and hopes that the public will get a frank report and detailed recommendations on how to avoid such tragedies in future.

"Kol Ha'am" (Communist) fully endorses the Rumanian Note to Israel protesting against the local "campaign of calumnies," and says that this campaign, which in any case has made no impression on the public in Israel, should be stopped in the interest of friendly relations between Israel and Rumania.

EMERGENCY PHARMACIES

JERUSALEM: Assuta, 13 King George, 4572. Many, Mahane Yehuda, 3048.
TEL AVIV: Geula, 10 Allenby, 62378. Shore, King George-Dizengoff, 22963. Pilersdorf, 27 Nahlat Binyamin, 4088. Ben Yehuda, 142 Ben Yehuda, 23333. Baruch, Hatikva Qr., 67405. **JAFFA:** Noga, near Noga cinema, 81396. **RAMAT GAN:** Herzl, 54 Herzl. **GIVATAYIM:** Hadassah, Rehov Hamodiin. **HOLON:** Brlut, 104 Sokoloff. **BNEI BRAK:** Rosenthal, Kiryat Hayeshiva.
HAIFA: Magen David, 13 Geula, 6205. Hakochav, 28 Wadi Salib.
KIRYAT BIALIK: Bialik, 7290.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. M. Schumer, 19 Ben Yehuda, 61474. Dr. L. Romanoff, 11 Arlosoroff, 61717. Dr. O. Heim, 11/4, German Colony, 2730.
TEL AVIV: Dr. M. Shaham, 1 Syrkin, 25842. Dr. N.L. Sacher, 165 Disengoff, 26383. **JAFFA:** Dr. Alcalai, 65 Rehov 4.
HAIFA: Dr. H. Sherman, 9 Hanevlim, 3424. Dr. A. Rosenbaum, 31 Moris, 3316. Dr. N. Landau, 4 Mahanayim, 6832.

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DA LICTAI!
are
The attention of Self-employed and Companies is drawn to the Regulations published in Kovetz Hatakanot No. 448 of May 20, 1954, according to which payment of the quarterly instalment (Advance to the Income Tax) falls due on June 10, 1954. After the above date, collection of dues will be taken up by the Execution Office.

MOTHER AND BABY
Don't rely on your neighbours!
It is not they who will teach you how to care for your baby after you return from the Maternity Hospital.
You will enjoy complete rest at the "Hadarom" Rest-Home in Rishon-le-Zion, while your child will be in reliable hands and you will learn all about baby care.
Here is the opinion expressed by the Minister of Health, Y. Serlin.
"Out of the mouth of babes and sucklings hast thou ordained strength." Congratulations on your initiative.
(—) Yosef Serlin
FUTURE MOTHER!
Make your reservation early. Registration at the rest-house in Rishon-le-Zion, Tel. 264 or at "Hamedayek" 66 Allenby Rd., Tel Aviv, Tel. 63983. Popular prices.

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Today's Post Bag

THE WEATHER

	*A	B	C	D
Mt. Cana'an	88	17	37	37
Tiberias	40	23	34	35
Haifa Port	68	21	26	28
Na'anya	66	12	30	30
Tel Aviv Port	82	20	34	35
Lydda Airport	86	15	31	32
Jerusalem	—	18	—	32
Beersheba	80	16	32	34
Eilat	14	—	40	40

FORECAST: Fair and warm.

*A) Humidity at 5 p.m. B) Minimum temp C) Maxim yesterday D) Maximum temp expected today.

• • •

RUTH HACOHEN, who was held in detention on a charge of smuggling $100,000 worth of diamonds out of the country, was released on Sunday by the Tel Aviv Magistrate in IL.2,500 bail.

• • •

MODERN CHANGING rooms and a large cafe were opened on the Hadera seashore over the weekend, marking the beginning of the bathing season.

• • •

A DEMAND that the Military Governor of Nazareth and the Ministry of Interior Local Election Officer stop interfering in Nazareth municipal affairs was made yesterday by Suad Khoury, Communist Councillor, in a telegram to *The Jerusalem Post*. He alleged pressure by the two officials on newly-elected members of the Nazareth Municipal Council.

• • •

THE MUKHTAR of Abu Ghosh and three members of the Council were brought to the Jerusalem Magistrate's Court on Sunday charged with disturbing the peace by fighting in the Cafe Vienna, Jerusalem, last December, and with having caused damage to the cafe.

• • •

25 PERSONS ATTENDED yesterday evening's foundation meeting of Beersheba Rotary.

• • •

A 56-YEAR-OLD WOMAN said to have been pushed down the stairs by her husband during a quarrel in their home in Yad Eliahu, Tel Aviv, yesterday, was transferred to the Municipal Hadassah Hospital where it was established that she had a broken arm and leg.

• • •

THE SOLDIERS' WELFARE Committee Tombola will be held at the Noah's Ark in Tel Aviv today, with District Judge N. Bar Zakai presiding. The prize is a Dodge car, 1953 model.

• • •

AN ESSAY CONTEST in connection with the celebration of Herzl Year which opens on July 21, (20 Tammuz) has been announced by the Youth and Hechalutz Department of the World Zionist Organization, P.O.B. 92, Jerusalem. The subject of the essay is the life, writings or activities of Theodor Herzl. The contest is open to members of Israel youth movements.

• • •

THE FIRST MEETING of the "Masach" Society public council which will devote itself to the encouragement and improvement of the Jerusalem theatre group, "Masach," will be held at 5.45 p.m. today at the Touring Club. Donations will not be requested, the council states.

• • •

THE HAIFA BRANCH of the Israel and British Commonwealth Association is to hold its inaugural meeting today at Beit Merhavia, 19 Rehov Hatishbi, (French Carmel), at 8:00 p.m.

• • •

LOCUSTS PROVIDE the main display at the Jerusalem Biblical Zoo exhibition, which is to be opened at 4 p.m. today by Mayor Y. Kariv.

Eliahu Golomb's Home for Nation

The house of Eliahu Golomb, commander of the Haganah until his death in 1945, will be preserved as a national memorial, according to an agreement signed by Mrs. Golda Myerson, Minister of Labour, and Mr. Herzl Habas, present owner of the house, on Sunday.

The agreement enables the Public Committee for Preserving Eliahu Golomb's Home, of which Mrs. Myerson is the Chairman, to buy the house within four months.

Thanks from Sweden

The directors and members of the Sofia Filekorna Swedish girls' physical culture team have written to the Government expressing thanks for the welcome they found in Israel. The group, which received an enthusiastic reception here, especially thanked the representatives of the Education Ministry who arranged accommodation and tours for them.

Gratification was expressed at the strengthening of the ties between Sweden and Israel.

RATION NEWS

Tourist ration cards may now be obtained at the Registry Offices of the Ministry of Interior every day between the hours of 9.00 a.m. and 13.00 noon. The offices are located as follows: Jerusalem, General Building, Entrance 3; Tel Aviv, 9 Rehov Tel Aviv-Jaffa. Haifa, Government House, Rehov Hassan Shukri; Tiberias, 67 Rehov Hagalil.

The cards were previously distributed at Tourist Information centres.

Tourists Met With Shavuot Foliage

Jerusalem Post Staff

Fragrant twigs from Mount Zion, emblems of Shavuot, were distributed to all arrivals at Lydda Airport on Sunday. On Mount Zion itself, thousands of pilgrims participated in religious ceremonies at the Tomb of David. The President attended services at Yeshurun Synagogue on the eve of the festival and the Rehavia Synagogue yesterday morning.

Celebrations held after services in the Great Synagogue and the Bilu School Synagogue in Tel Aviv last night were addressed by Rabbi I. Y. Unterman, Chief Rabbi of Tel Aviv, and Dr. S. Kahana, Director General of the Ministry for Religious Affairs respectively. A "Tikun Shavuot" service for overseas visitors was conducted by Rabbi Unterman at the Jarkeel Hotel, Tel Aviv, last night.

Galilee and Jordan Valley settlements stressed the agricultural aspects of the holiday with rejoicing at this year's bountiful Negev harvest. Judges at Degania Aleph deliberated yesterday on a "First Fruits Flag" award to be given to the kibbutz's most successful branch of agriculture. A dance performed by eight tractors to the tunes of the kibbutz orchestra highlighted the merry-making.

Water Flows

At kibbutz Yiftah, in Eastern Galilee, the celebrations concentrated on the joys of water. This week, for the first time in its six years of existence, water began to flow to the settlement. A 500 cubic metre reservoir was also opened.

Mishmar Ayalon, the border settlement near Latrun, was the scene of the regional *bikkurim* festival yesterday, with 2,000 persons of Gezer district attending.

Mr. A. Harzfeld, M.K., and Mr. N. Unger, Chairman of the District Council, spoke after a parade of agricultural vehicles and exhibitions of folk dancing.

The Givat Brenner festival, attended by 3,000 persons, also included a parade of agricultural equipment and demonstrations of harvesting, as well as dancing. A similar fete was arranged in nearby kvutzat Shiller, whose vegetable garden won a prize.

Dear Mr. Nehru, Please Send Us an Elephant

The children of Israel are being asked to sign a petition requesting the Prime Minister of India, Mr. Jawaharlal Nehru, to send an elephant here in exchange for Israel animals. The Indian U.N. delegation has indicated that Mr. Nehru would grant such a request. The elephant would be housed in the Jerusalem Biblical Zoo.

The Israel animals would be sent to the New Delhi Zoo now under construction and which will include sections for animals from all over the world.

Camp for Young Polio Victims

HAIFA, Monday. — The local Branch of "Ilanahil" (Israel Foundation for Infantile Paralysis) is to set up a summer camp for polio-stricken children on Mt. Carmel during July and August.

Haifa children will return to their homes each night, while lodgings at the camp will be provided for those from out of town.

Interested parents may register their invalid children from 4-7 p.m. daily, at Kupat Holim, Rehov Ahad Ha'am, until June 30.

The camp is open to children whose parents are not Kupat Holim members.

5 Badly Hurt

HAIFA, Monday. — Two children and a woman were seriously hurt in accidents here yesterday.

Rakika Mohammed Daud, a six-year-old girl, of Faradis village, was knocked down by an Army tender and taken to the Rambam Hospital in a serious condition.

David Rubinstein, aged 10, was badly hit by a truck in Rehov Hashiloah when he crossed the street from behind a stationary vehicle.

While Pessia Sonaschein, 61, a tourist from France, was talking with a friend in Rehov Herzl, a marble slab fell from a two-and-a-half metre high wall, seriously injuring her in the head.

YOUNG MAN KILLED BY GRENADE

HAIFA, Monday.—The body of 21-year-old Jerry Kreutzwirt was found at noon yesterday in a field near his parents' home here.

He had been killed by a hand grenade, the explosion of which was heard on Saturday night.

Murder Charge Read At Bedside

HAIFA, Monday. — Ariel Dov, 51, charged with the murder of his wife, Stella, at their home in Rehov Omar El Hassid here on May 5, faced the Examining Magistrate from his sickbed at the Rothschild Hospital here yesterday.

He has been detained there since the day of the murder when he jumped from the roof of his two-storey house, breaking his spine.

Chief Magistrate Mrs. M. Starkman read the charge to him with a Yiddish translation. The hearing was adjourned until July 1 as Dov is still unable to stand trial.

Hide the Truth

TEL AVIV, Monday. — "Winnik and Biegelman tried to persuade me to hide the truth when I appear before the Municipal Investigation Committee and the police," David Skitel, State witness, told the Tel Aviv Magistrate's Court yesterday.

The statement was made during the preliminary hearings in the case of Meir Winnik and Mordecai Biegelman, officials of the Maintenance Department of the Tel Aviv Municipality, charged with embezzlement and theft of public property and other offences. *(Ttim.)*

Dancer Sues Li-La-Lo

TEL AVIV, Monday. — An action for IL.2,000 damages against the Li-La-Lo theatre company and its Director, Mr. M. Wallin, has been filed in the Tel Aviv District Court by Miss Ann Caroli, a dancer.

Miss Caroli claims that on December 10, 1953 she broke her leg while performing for the Li-La-Lo and that the injury was caused by the negligence of the company in not making their stage fit for dancing.

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T.A. Asks Help For School Buildings

TEL AVIV, Monday. — In a letter to the Minister of Education and Culture, Professor Benzion Dinur, Mayor Haim Levanon has described the schoolroom situation here as "most disturbing." He declared that the Municipality lacked the finances to cope with the second shift and that the Government had to provide the funds.

To meet the natural increase, 100 new schoolrooms will be ready by next year. Of these, 68 will be in permanent buildings and the rest in wooden structures.

In addition, there are close to 200 "second shift" classes attended by about 8,000 children. The problem of children going to school in the afternoons instead of in the mornings demands a solution, it was pointed out.

Last year, the Municipality spent IL.1m. on new schools, while the Government contributed only IL.110,000, the Mayor pointed out.

Israel Flag Flies In Madras

The flag of Israel flew for the first time in Madras State, India, last month when the International YMCA Youth Centre at Tiruppattur was inaugurated.

The Centre was built by YMCA contributions from all over the world; the Jerusalem YMCA Men's Club contributed the cost of one room through holding a benefit concert and by contributions of its members.

With its contribution, each YMCA sent its national flag to be flown at the inauguration and on all official occasions.

The Tiruppattur Youth Centre is the first of its kind in an under-developed area of India. Many of those present at the opening ceremony heard about the existence of the State of Israel for the first time.

A message of thanks from the Indian YMCA, received in Jerusalem, expressed particular appreciation of the fact that a new country like Israel had been able to contribute to the project.

UN Join Police In Fire-Fighting

U.N. representatives worked for three hours with Israel police and the Jerusalem fire brigade on Sunday morning in fighting a brush fire that started in Jordan and crossed the lines near U.N. Headquarters, south of the capital. No damage was caused.

The Jerusalem fire brigade was summoned several times that day to fight brush fires near the border.

Petah Tikva Firemen To Get Their Pay

PETAH TIKVA, Monday. — The five-day strike of the local fire brigade ended yesterday afternoon following an agreement between the managing board of the brigade and the secretariat of the Petah Tikva Labour Council.

The agreement stipulated that April salaries be paid tomorrow and that later salaries be paid not later than the 17th of each month.

500 Fewer Unemployed

The average daily number of unemployed during the week ending May 23, was 12,850, 500 less than in the previous week. Of the total, there were 10,022 unskilled labourers and 2,313 women.

Main centres of unemployment were: Jerusalem, 1,126; Haifa, 1,256; Tel Aviv, 1,133; Ramat Gan, 957; Rishon le Zion, 674; Petah Tikva, 725; Rehovot, 617, and Ramle, 496.

BARKATT BACK FROM ASIAN MEETINGS

LYDDA AIRPORT, Monday. — Algiers and Tunisia refused to send delegates to the Anti-Colonial Bureau meeting in Burma in May, because of the presence of an Israel delegate, Mr. R. Barkatt, who told Ttim yesterday morning on his return.

Mr. Barkatt, who represented Mapai, also attended the Asian Socialist Conference, attended by nine Asian republics.

Zichroni Continues Fast in Hospital

HAIFA, Monday. — Amnon Zichroni, a soldier, who was sentenced to seven months in prison last week for refusing to obey orders claiming to be a conscientious objector, and is persisting in a hunger strike, is being detained at a military hospital here.

He began his fast on May 28 and was hospitalized on June 2 after he fainted in prison. He is reported to be relatively well.

The chairman of the Israel Section of the War Resisters International, Mr. Natan Hofshi, his wife, and two secretaries, held a one-day sympathy hunger protest on Saturday, picketing the hospital where Zichroni is detained.

The Conscientious Objectors League demonstrated in Tel Aviv's Kikar Magen David today. Yesterday, a delegation of the objectors, who demonstrated at the Tel Aviv Kirya, was received by Mr. E. Harroush, Public Relations officer of the Ministry of Defence, who said he would transmit to the Minister of Defence their demand for an interview.

Support Voiced For Merging of Funds

NEW YORK, Monday (INA). — Full support for current efforts towards the merger of the fund-raising campaigns in the U.S. of the Hebrew University, the Haifa Technion and the Weizmann Institute has been expressed by the Jewish Federation of Welfare Funds in the U.S. This, it was maintained, would enable substantial savings on the fund-raising expenses of the three institutions.

On the other hand, the plan to merge the three campaigns has been rejected by Mr. J. Wunsch, President of the American Technion Society. He said the University and the Technion had nothing to gain from the merger.

Dr. J. Schwarz, Executive Vice-Chairman of the U.J.A., said the question of U.J.A. support for the three institutions needed study and appraisal and until this had been done no action could be taken.

HADERA COUNCILLOR JOINS OPPOSITION

HADERA, Monday. — The Mizrahi Councillor here, Mr. D. Rabina, has informed the Mayor and the press that he is resigning from the Municipal Coalition, because "it has done nothing to prevent the desecration of the Sabbath in the town."

The coalition is composed of eight members, five Mapai, and one each of Yemenites, Mizrahi and Hapoel Hamizrahi. The opposition consists of five General Zionists and two Mapam Councillors.

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Davidman Wins Tennis Title

Eliezer Davidman won the National Tennis Championships yesterday, defeating Arieh Weiss 2:8, 8:3, 6:4, 10-8.

Holiday football matches resulted as follows:

Tel Aviv Hapoel, Kfar Saba Hapoel, 2:1; Haifa Hapoel, Rehovot Maccabi, 4:3; Ramat Gan Hapoel, Hadera Hapoel, 1:1.

In friendly games, Haifa Hakoah beat Golani selected 2:0 and Haifa Cafe Atara beat Haifa Hapoel Veterans, 4:2.

Schreiber Identity Parade Repeated

A second identification parade containing the same participants as the first was held in the Jerusalem Magistrates Court on Sunday to disprove the claim of Nathan Schreiber that he was the only "blond" in the first parade. Nathan Schreiber was identified in the first parade as the person seen loitering near the former Italian Hospital a few weeks before the Kupat Milve Vehisachon bank was robbed of IL.26,000 in April. After the theft, a cache containing IL.22,865 and arms was found in a yard near the hospital.

His brother, Yitzhak is also being charged with participating in the theft.

The accused claim that the police have fabricated the evidence against them and beat Nathan until he agreed to sign a statement.

The Deputy District Attorney, Mr. A. Kamar, asked Magistrate J. Weiner who is going to announce his decision on Thursday, on whether the men should be held for trial, to transfer the case to the District Court and to add the charge of having broken into the home of the bank's cashier. *(Ttim.)*

BRITISH POLICE RETURN TO HAIFA

HAIFA, Monday. — Passers-by in Rehov Balfour and Rehov Nordau today were puzzled at the sight of half-a-dozen British policemen in the dark-blue winter uniforms of the Palestine Police, the like of which they had not seen since May, 1948.

They were enlightened by the Hebrew-speaking and perspiring constables; they were actors and extras playing in the film "Hill 24 Doesn't Answer" which is being produced by the Sikor Film Company.

The shots now being filmed near Rehov Ruppin here are of a British roadblock, set up to check the identity of bus and car passengers.

REMEMBRANCE ceremonies in honour of Dr. Chaim Weizmann, First President of Israel, are to be observed each year on November 2, the anniversary of the granting of the Balfour Declaration, Mr. Meyer Weisgal, of the Weizmann Institute of Science, has announced.

Problem of Measuring Effect Of Higher Rents to be Studied

Jerusalem Post Reporter

The procedure to be adopted to measure the effect of the Tenants Protection Law on the c-o-l index will be discussed by the Advisory Committee of the c-o-l index on Sunday. The Committee will also consider whether the increase is to be retroactive to April 1 when the new rent law went into effect. This was learned recently from Dr. Aryeh Nitzan, Director of the Index Computation Department of the Central Bureau of Statistics and Economic Research.

It is likely that the Advisory Committee will decide on a full-fledged survey of the 1,100 families who constitute the sampling for index surveys. Such a survey could be completed within two months and the results would then be reflected in the c-o-l index.

With regard to families who own their own homes and are therefore not directly affected by the new rent law, Dr. Nitzan believes that their expenses should be treated as having increased indirectly to the same extent as those of tenants.

One-Point Rise

The one-point rise in the index to be announced for May on account of rent is not connected with the Tenants Protection Law. It is based on a survey made by the Bureau on rent rises from September 1951 (the base year of the index) to January 1954. The survey showed that in this period rents rose an average 18% which called for a one-point rise in the index.

Queried why the Bureau had not already started to study the effects of the new rent law, Dr. Nitzan said that the index does not include estimates but only actual changes in prices. Therefore, nothing could be done until increases due to the Tenants Protection Law actually took place. So far, a preliminary survey showed, only 30% of the population has begun to pay higher rent. In other cases leases are still in force and the new law will not apply until their expiration, or landlords and tenants have not yet come to an agreement on the new rental.

The survey expected to be made now will not be a one-time matter, Dr. Nitzan said. Another survey would probably be started in about four months to take account of rent rises which took place in the interim.

In answer to the question whether the statements of various public officials on the effect of certain price rises on the c-o-l index or on probable changes in the index over a given period of time were based on information supplied by the Bureau, Dr. Nitzan replied that they were not.

In some cases, the officials used tables prepared by the Bureau showing the weight of various items in the index, but predictions based on these tables did not always take into consideration secondary or later changes in the index caused by the rise in the price of one item, fuel for instance. He reiterated that the Bureau does not predict, but merely measures price changes.

The Bureau is now engaged in a large-scale census of employment, including that of Arabs. Details are to be made public next week.

Travel Tax Exemptions For Employees, Sick

Travel tax exemptions are to be granted to certain categories of travellers, according to an administrative order soon to appear in Reshumot. It is learned from Treasury sources.

The main groups to benefit will be employees of airlines and shipping companies and employees travelling on company business. The approval of the Minister of Communications will be required.

Sick persons going abroad for medical treatment, those required to accompany such patients and persons leaving to visit sick relatives will also be exempt.

For these groups, the approval of the Minister of Health will be required.

Students will be granted tax exemption only upon proof that their proposed studies are of a vital nature.

Receiving a scholarship abroad will not automatically entitle a student to such certification.

The partial tax exemption now enjoyed by scholarship holders is to be abolished.

Cables in Brief

ASSIGNMENT. — Mrs. Eleanor Roosevelt is to go to Moscow next month on an assignment for "Look" magazine.

COMPENSATION. — Four fish products associations in Osaka, Japan, have demanded 126,800,000 yen (about £126,000) compensation from the United States Government for damage from the Bikini H-bomb tests.

TRADE. — Hungary and Greece yesterday signed a one-year trade agreement. Hungary will export industrial goods in exchange for agricultural products.

HITLER YOUTH. — The West German Police on Saturday gave permission for the holding of a rally at Kassel of veterans of the S.S. Division "Hitler Youth," despite Trade Union protests.

Diet Passes Bill To Centralize Police

TOKYO, Monday.—Pro-government forces in the Upper House of the Japanese Diet today passed the controversial police reform bill, while the right and left-wing Socialists boycotted the session.

The bill was passed by acclamation with the votes of the Liberals, Progressives and the Green Breeze Party. The Japanese Premier, Mr. Shigeru Yoshida, personally took a hand in directing the bill through parliament. The measure has already been passed by the Lower House.

It centralises the country's police system at prefectural level in place of the de-centralized system set up by the occupation authorities.

The Socialists maintain that the bill mark a step towards authoritarian rule.

Members of all parties except the Liberals met here today to find a way out of the present chaotic conditions in the Diet, but no decisions were taken. The Liberals said they would not participate in the talks until the Socialists ended their boycott of the Diet sessions.

(Reuter, UP)

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Economic News from Abroad

● A move towards convertibility of the main European currencies is expected in the near future. Germany will be ready for convertibility by August, according to Chancellor Adenauer. The French franc, however, is still considered overvalued, and Italy's balance of payments is still to be remedied.

● Work on the St. Lawrence Seaway is likely to be started this year. The project has been approved by the American House of Representatives and now requires only the signature of President Eisenhower. Total expenditure on the project is to amount to $1,000m., the major part of which is to be supplied by Canada. The Great Lakes ports are already making plans for increased shipping, which will require much dredging and improved facilities. On the other hand, ship operators on the Lakes and in the Canadian coastal trade fear low-cost foreign competition and demand a protective revision of the existing Canadian coastal trade regulations.

● The U.S. Supreme Court approval of New York State's joint participation with Ontario in the hydro-electric power scheme connected with the Seaway is expected shortly. The scheme is to cost $400m. and to generate 2.2m. horse-power.

● Talks have begun between the Iraqi Government and the Iraq Petroleum Company about a new mode of assessing the sales proceeds of the company's crude oil, which would increase the government's share in profits by almost 9/- per ton.

● The Chamber of Shipping of the U.K. protested against the oil shipment agreement between Saudi Arabia and Mr. Onassis. Meanwhile, it is understood that Mr. Onassis is also to establish a dry dock, workshops, probably at Jeddah, salvage facilities, and a maritime school.

● The 50-50 shipping provision in U.S. foreign aid legislation is to be discarded according to a suggestion of the Randall Commission which has been accepted in principle by President Eisenhower.

● Twenty full-scale trade fairs are being held this year in Germany and 24 are scheduled for 1955. Industrial exhibitions of one kind or another numbered 186 last year and there are to be 215 this year.

● The Harpener coal mines in the Ruhr have been sold by Herr Flick to a French steel group, and French interests (including the de Wendel group) now control seven per cent of the Ruhr coal output. Herr Flick in turn is reported to be in search of a suitable investment in France for the 6,000,000,000 francs which he received in addition to 105m. marks.

● The British Board of Inland Revenue has apologized for sending out a questionnaire asking company directors to supply "unnecessarily detailed information" about the expenses they incur in carrying out their business.

Bread Prices Typical of Production Anomalies

By Our Economic Editor

THE general outline of the present contentions about the price of bread are well known. After the relevant statistical material has been submitted and analysed by the Economic Advisory Staff and commented upon by the parties concerned, the final decision will presumably be taken in the course of a week. But the survey made on this occasion is also of interest beyond the limited sphere of the present issue, for the bread industry is in many respects typical of our urban economy.

Firstly, it is again clear that Israel consumers are not interested in petty savings where they interfere with their habits or tastes. Because of the popular preference for warm or at least extremely fresh bread, all bakeries are at present forced to make a number of deliveries each day, particularly during the early morning hours, and to accept the return of unsold bread. Distribution expenses amount to nearly 10 per cent of the total cost of bread (i.e. more than 10 pruta per loaf). They could be reduced by two pruta were distribution more efficiently organized.

Present distribution methods are also wasteful in other ways. During the afternoon consumer demand is not adequate and bakery equipment cannot be fully utilized. These conditions have a most adverse effect on the mechanized bakeries where equipment is most profitably used on a two-shift basis to produce at the cheapest price. Some large establishments have tried to overcome this handicap by baking bread for the army, the *ma'borot* or other bulk purchasers, who accept afternoon deliveries in return for considerable price reduction. But the general public is not ready to forgo tasty fresh bread even for a considerable difference in price.

The Economic Advisory Staff proposes to correct some of the shortcomings of the present system by prohibiting the delivery of bread to retailers before 11 a.m., and by promoting direct bakery-owned retail outlets, which would sell day-old bread at reduced prices.

However, it is doubtful whether much can be achieved by such administrative measures, without effecting a parallel change in the consumers' habits and spending power. To what extent free spending power is still available is also indicated by the fact that 40 per cent of the flour consumed is of non-standard varieties. White bread and *halot* alone account for 18.5 per cent of flour, in spite of a price difference of 72 to 100 per cent (in reality the share of white bread is even greater, for at least 10 per cent of the standard bread is today used for feeding poultry).

The present structure of the bread baking industry has neither the advantages of modern large-scale, full mechanized factories, nor of the primitive (and cheap) family-operated units, but consists mainly of medium-sized establishments. There are 443 bakeries here (one for each 3,300 persons). Of them 43 per cent are using 30-100 tons of flour per month (accounting for 63 per cent of total output of bread and employing 57 per cent of the total labour force of 3,500 hands). Small units of up to 30 tons monthly flour consumption account for over 50 per cent of the total number of establishments (241 altogether) and 33 per cent of the workers employed, but produce only 25 per cent of the total output. The large bakeries, most of them fully mechanized, number only 10 and employ 370 persons, but they produce 12 per cent of all bread.

Labour Savers

The average number of employees per establishment is only eight hands and even the biggest bakeries have an average staff of but 37 workers. There seem to be no substantial differences between the amount of capital invested per worker in small and big establishments. However, in the medium and larger bakeries a higher grade of mechanization is achieved which considerably increases productivity. Outstanding labour savers are the kneading machine and the divider, but the full utilization of the latter can only be arrived at in bakeries using at least 40 tons of flour a month. The output of loaves per man-hour rises from 50 in the smallest and unmechanized bakeries to 150 in the biggest, and the baking capacity of the ovens from 100 loaves per hour to 1,200. The large modern bakeries do not utilise their equipment to the full extent, so that their actual costs remain higher than necessary.

According to the computations made by the Economic Advisory Staff, the cost of production of standard bread is at present about 108 pruta per loaf in the big bakeries with automatic ovens, 123 pruta in the medium ones with steam ovens and 127 pruta in the smaller plants with double brick ovens. Accordingly, the big bakeries are at present earning 10 prutot per loaf at the official price and getting a return of 10 per cent on their invested capital, while the medium ones are losing five prutot per loaf and the small ones as much as nine. If there were 60 fully mechanized bakeries, properly located and efficiently operated for two full shifts, the present ceiling price for bread could be even reduced by 10 prutot per loaf in spite of the increased fuel, repair and labour costs.

On the other hand, there is ample reason to believe that the cost calculated for the small-sized bakeries is largely a fictitious one, for it seems rather doubtful that they would go on losing at a rate of 27 per cent of their invested capital. Yet the typical bakery of this group is an old establishment, which has long since written off its investments and paying labour considerably less than the official union rates (at which the above computation has been made) because non-union labour and members of the family operate the establishment.

Though the statistical material in this respect is scanty and not fully conclusive, it seems that the actual position is that the small family-operated bakeries can produce at about the same cost as the fully mechanized ones, while the medium-sized bakeries are the least efficient, being forced to pay the full union wages and at the same time to bear comparatively high depreciation charges and overheads, particularly if operated at only one shift. As a matter of fact the technical structure of the bread industry in Israel is in no way inferior to that in other countries. Even in the United States 60 per cent of all bakeries employ less than five persons. But one of the main reasons for the survival of the small establishment there has been their retail sales and the resulting saving in distribution costs, combined with catering to special tastes with high quality products. Most bakeries here produce the same kind of standard (and white) bread and do not aspire to a special quality, nor can they retail their products directly. The advantages of large-scale operations are therefore even more clearcut here than abroad.

But the fact is that any effort to establish new well-equipped bakeries encounters the stiffest opposition, and that for the time being the price of bread is being calculated according to the least efficient type of bakery, thus assuring the other types surplus profits.

While the extent of these profits has not yet been established, attention has now been drawn to the level of wages paid in the bakeries. Direct wages constitute about 30 per cent of the total cost of standard bread (and if the price of flour be excluded 40-60 per cent of the other costs). The current basic wages are approximately IL.21-24 per week which, together with the cost-of-living allowances, works out at almost IL.1 per working hour. Added to this are social benefits at the rate of 33 per cent, family allowances, various premiums etc., so that a man working about 50 hours per week earns an average gross monthly wage of IL.330. This wage level is not exceptionally high for our industry. Though appreciably less than earned by bus and taxi drivers, it compares quite favourably with the wages of workers in the food, sweets, and edible oils industries and is about as much earned by printers and milling workers.

WEEK ON THE STOCK EXCHANGE

Tel Aviv

SIGNS of revival were apparent during the past week. The new rate of exchange for fuel and the plans for abolition of other subsidies on one hand, and new facilities for capital transfer from Germany on the other, seem to influence the demand for investments, especially as the stock market level appears generally rather low. TAVEI DOLLAR improved during the week by some 25 pruta, taking into consideration the coupon per 15.8.54 payment which, as is known, is being redeemed at the rate of IL.1.800 to $1. A conspicuous demand brought the price of ASSIS & BEJARANO BROS. shares 9 points higher, while NESHER debentures improved by between 5 and 6 points for "A" and "B" debentures respectively. In addition to the recommendation for the increase in the price of cement, the abolition of the subsidy for fuel should mean another increase, as fuel constitutes some 25% of the production cost of cement. NESHER debentures touched higher levels during the week, but were later affected by reports of difficulties arising out of the Government's refusal to increase the price of cement and the possibility of closing down the plant or increasing the price without government authorization. On Friday, however, there were again signs of recovery. A hardening tendency was also seen in a variety of stocks, including P.L.D.C. issues, BIZUR, JERUSALEM ELECTRIC, ATA, KURDANEH, LODZIA, etc. On the other hand, the PALESTINE ELECTRIC shares (London Register) lost 14 points. It will be recalled that after the publication of the new proposition announced by Mr. Sapir, according to which the shareholders of the London Register would receive 21/6 cash, the price of this stock receded considerably, but later improved. During the present week, however, fresh selling suppressed prices again. While the local newspaper reports contradicted each other as to whether the 21/6 cash offer is a substitute for the former offer of 29/6 payable in 15 half-yearly instalments, or as an alternative the choice of which would lie with the shareholders, it appears now that the latter version is correct.

The Israel Reg. shares remained practically unchanged.

London

THE month on the London stock exchange began with the big news of the launching of a huge new Government Conversion Loan, which caused something of an upheaval in the gilt-edged market. With large turnover in gilt-edges, prices remained firm, but some switching operations brought isolated small falls.

New York

THE first few days in June saw the highest level of Wall Street industrials since 1929. After a slight reaction, the recent advances were consolidated with industrial prices closing the week at only slightly lower levels than the highest reached at the beginning of the week. While the Wall Street trading average reached the 2 million shares daily volume similar to that of 1928, it should be noticed that U.S. companies now have four times as much stock outstanding as in 1928 (3 billion shares). Dow Jones Averages for 30 industrials was 328.63 as against 327.49 last week.

Gold

In London, the price of gold was 248/10d. per fine ounce, practically unchanged in comparison with last week. Spot gold declined in Bombay to Rps.87¾ per tola.

Commodities

Rubber was cheaper in London, while on the London metal exchange, lead and zinc advanced and tin eased. Copper was also a little easier. May 31 was the last day on which the Government broker was a seller of copper in London. Although there was a last minute rush to buy, the fact that last week's sales were not very heavy suggests that the market was prepared for the change. Reuters UK Commodity Index was 487.9 as against 489.1 last week.

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Tuesday, June 8, 1954 Sivan 7, 5714. — Shawal 7, 1373

Action on Experts' Findings Imperative

By Our Economic Correspondent

MR. Oscar Gass has probed into the Israel economy for a year. He had exceptional opportunities for careful work based on tested facts. With the help of a selected staff, he could make a survey of the present position and his guess at expected developments is the more valuable since he can lay his hands on material of every sort and is independent of political pressure groups.

The conclusions arrived at by Mr. Gass after a year's work tally with the opinions uttered by our economists many times before. Mr. Gass states that we pay wages which are higher than those in Britain while our productivity is lower and that this cannot continue indefinitely.

At the same time Mr. Abba Lerner, who works with Mr. Gass, has published his ideas on inflation in this country and on the means to combat it. They too move very much along familiar lines. There are three possibilities of breaking out of the vicious circle of rising prices, rising wages, high profits and low productivity. Wages could be lowered outright by cutting the automatic link with the rising cost of living. We could devaluate our pound further without making this devaluation felt in domestic prices. Or we could subsidize imports at a much higher rate than hitherto, taking care that these subsidies are really paid for by the Israel citizen.

All three suggestions have one thing in common. They aim at cutting down local consumption and thus forcing people to produce more. The shortcut to this goal — lower real wages, is obviously out of the question because there would never be a majority to carry such a decision. The other two possibilities appear easier at the first glance, because they could be implemented by administrative means. No one could prevent deciding today to devaluate the pound further. The same could be said for the plan to subsidize export on so large a scale that we should be able to compete on the international market.

The professional terms in which all these proposals are couched conceal one very simple truth which lies behind them all. An improvement of the position and brighter prospects for the future are possible only if the Government — and the Histadrut — will have the courage to pull us out of the fools' paradise in which we have been living. Attempts in this direction were begun by the late Eliezer Kaplan, and followed up by Mr. Hoofien, who has returned to the topic again and again. The necessary measures have been expounded by journalists and economists ever since the first illusions about an easy economic recovery wore off four years ago.

Drifting from Goal

Nevertheless, we have been drifting away from the professed goal of making both ends meet. The recent improvement in exports is mainly due on the one hand to this year's exceptional citrus harvest and to the good market made possible by the Spanish frost. Industrial exports, it is true, have also gone up, but there are calculations that they have been made possible mainly by barter agreements and by arriving — by various devices — at a rate for the dollar which lies far above the official rate. Too much money is still channelled into unproductive enterprises, into services, into consumption and into administration. Despite warnings, declarations and attempts to reverse the trend, we go on much as we did before.

The facts cited by Mr. Gass, Mr. Lerner and many others are not denied. But decisions are made not according to economic reasoning but in line with political considerations. We have arrived at a point where the economist has said all there is to be said, where he can still advise how the necessary reforms can be implemented, but the real decision has become a matter of politics and political leaders.

Here the pressure groups — sometimes with the help of a party — reign supreme. And it is by no means easy to decide according to pure logic or with an eye on economic facts. Decisions of a painful nature are likely to be deferred again and the steps that will be taken may unfortunately not be vigorous enough. It took the authorities a very long time to decide on the New Economic Policy. It took them a long time again to adjust the budget to the higher exchange rates. And many other examples can be cited, to show that political considerations hamper actions which are clearly necessary from the economic point of view.

It could be argued that this is only natural, that in no country would a government which largely represents labour interests dream of lowering wages voluntarily by any means whatever. It can be argued too that it is too much to expect that Israel take upon herself additional severe hardships as long as there is ample revenue from abroad.

But these arguments take the short view. It will be easier to adjust ourselves progressively to raise our earnings by $200m. a year while we still have income from abroad than to have to adjust at one stroke later on. And this is bound to happen if we allow ourselves to consume a large percentage of the money which is given to us for productive purposes living at a standard we do not earn. If adjustments are made now there might be certain political repercussions. If the adjustment is deferred for several more years the reprcussions are bound to be much more dangerous.

Growers Prefer Groundnuts

LOWER prices for vegetables during last season, coupled with the stiffer standards of grading and packing of produce, resulted in substantial reductions of vegetable acreage and smaller supply this summer, the "Tnuva" monthly bulletin states. The total quantity of vegetables sold by "Tnuva" was 3,400 tons in April of this year against 5,900 tons in April of last year. The decline was most pronounced in tomatoes, cabbage, cauliflower, carrots, beetroot and radish. Recently, however, substantial acreage has been planted in tomatoes of special varieties for purees production.

The melon and watermelon crop will also be smaller this year, as suitable tracts have been diverted to growing groundnuts. According to preliminary estimates the groundnuts acreage may reach 30,000 dunams this year. This is about half the total vegetable area.

The potato crop, too, is expected to be bigger than last year's by approximately 25 per cent, and to cover local demand at least until November, if properly stored.

Banana plantations increased by 2,000 dunams last year and are now nearing 10,000 dunams, half of which are in the Jordan valley. With the expansion of the plantations in the hilly regions of Galilee and in the coastal plain, the average yield, however, fell to 1,300 kg. per dunam against almost 1,600 kg. three years ago.

A rise of 30 per cent is expected in the supply of plums and table grapes, while the apple crop will be approximately the same.

Jewish Exodus Hit Iraqi Credit

THE impact of the exodus of Iraq's Jews upon Iraqi economy is given a prominent place in the official report of S. Simmonds, Counsellor at the British Embassy, Baghdad, on "Iraq, Economic and Commercial Conditions", published by H. M. Stationery Office, 1953.

The internal credit situation, the report states, "was seriously affected by the exodus of the Jews in 1951. About 100,000 Jews, of whom many were skilled financiers and business men, have left the country and their place has been taken by relatively inexperienced merchants. The results have been over-trading and lack of credit for financial imports" (P.2).

"The principal banks... normally rediscount bills taken up by local *Sarrafs* and money lenders... The Jews... have left Iraq and the money market has suffered in consequence. The Jewish money lenders were extremely knowledgeable about the conditions in the market and the financial affairs of both large and small traders, and used to make short-term loans for such temporary needs as the clearance of goods through customs and so on.

"Money lenders of other nationalities taking the Jews' place have not been nearly so active, and there has therefore been a good deal of reduced activity and shortage of cash. As a result, many consignments have been held up in the customs leading to the deterioration of business relations between overseas principals and agents in Iraq. The banks have naturally had to adopt a cautious attitude towards the applications for credit of merchants who are newcomers trying to fill the gap left by the Jews." (P.4).

K. GRUNWALD

Company Reports

Union Bank's Expansion

AMONG the "big four" of Israel banking the Union Bank, although the youngest, is gaining rapidly in volume and stature. Its present balance sheet of IL.37.6m. is more than double the last year's figure (IL.17m.) and over 8 per cent of the assets of our banking system. Together with its subsidiary, the Canada-Israel Central Bank, the consolidated balance sheet comes to over 10 per cent of the total (against less than 5 per cent at the end of 1950). This development has partly been the result of the close collaboration between the bank and local industry, and also the outcome of the bank's experience in international loans and commodity credit operations, which are of particular importance now. With the improved financial position of hard currency payments, the bank is seeking to expand its international operations in other directions.

The customary balance sheet does not allow more than a glance at the inner structure of the bank's business. The "deposits, current and other accounts" increased from IL.11.3m. to IL.24m., though the bank did not participate to any considerable extent in the special deposits of the Government Development Budget. On the other hand, "advances, bills discounted and other accounts" rose from IL.5.4m. to IL.14.3m., i.e. by 132 per cent. Nevertheless this expansion of outstanding credits absorbed only 70 per cent of the additional deposits, while the rest went to "cash and correspondents." The liquidity, though lower than a year ago (when it was almost 60 per cent) was over 40 per cent. Almost 58 per cent of all loans went to industry, 14 per cent to public authorities and about 7 per cent to building; the bank is no longer participating in the seasonal advances to citrus growers.

A large increase is also reported in the balance of confirmed credits, acceptances and guarantees: IL.12.4m. against IL.4.7m. at the end of 1952. This is largely accountable due to the change in the rates of exchange. The bank's activity in financing exports is also increasing.

The profits for the year 1953 are shown as IL.188,000 (of which IL.100,000 were transferred to General Reserve), i.e. almost at the same level as in 1952 in spite of much bigger scope of business activity (presumably because bigger sums were allocated to writing off the new spacious premises acquired this year in Tel Aviv and Haifa).

There is no mention in the Directors' Report of the new connections established between the bank and the Bank Leumi, following the latter's acquisition of virtual control of the Palestine Corporation (the Union Bank's parent company) but it is understood that the Bank Leumi has no intention of interfering with the independent existence and functioning of the Union Bank.

The following figures are taken from the bank's latest balance sheets:

IL.000	1951	1952	1953
Share capital and reserves	1,050	1,056	1,167
Deposits and other accounts	7,197	11,233	23,963
Confirmed credits etc.	2,388	4,694	12,419
Cash and Correspondents	4,318	6,464	10,449
Outstanding credits	3,304	5,400	14,277
Profits	86	151	188

CANADA-ISRAEL INCREASES TURNOVER

THE Canada-Israel Central Bank is a subsidiary of the Union Bank operating mainly in the field of agricultural cooperative credit. It increased its turnover to IL.14.7m. in 1953 against IL.6.5m. in 1952. Loans for medium and long terms totalled IL.2.4m., of which IL.1.1m. were given for purchasing equipment, trucks, water installation etc., but the bulk of the credits, IL.8.5m., were for strengthening operating capital. The balance outstanding at the end of the year was IL.8.1m. (against IL.5.4m. at the end of 1952), of which IL.1.9m. were out of the special deposits of the Government (IL.1.2m.). Agricultural loans were 67 per cent of all outstanding loans. The liquidity was maintained at the same level as in the previous year.

On the passive side, regular deposits have increased from IL.4.6m. to IL.9.1m. in spite of the sharp decline in fixed term deposits. A considerable part of the funds are third party deposits, linked to specific purposes, and about one third are liquid balances of rural credit cooperative societies. The bank's share capital rose from IL.689,000 to IL.802,000 and total own capital and reserves reached IL.107m. The shown profits were IL.102,000 a slight drop against the previous year (IL.128,000), presumably because larger allocations were made to inner reserves.

The following figures show the bank's progress over the last few years:

IL.000	1950	1951	1952	1953
Deposits, current accounts etc.	3,109	3,971	4,591	8,651
Special deposits	1,347	1,162	1,197	1,964
Credits outstanding	3,484	3,976	5,442	9,120
Capital and reserves	687	833	885	1,073
Year's profits	78	111	128	102

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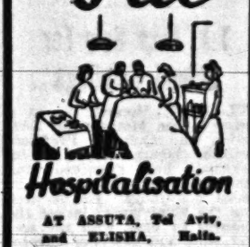
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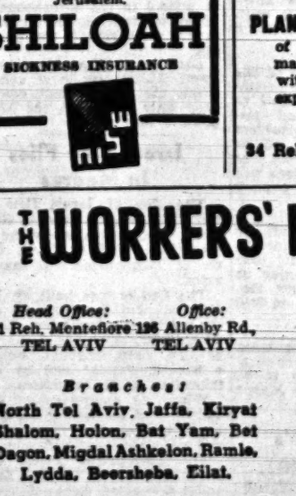
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